
City and County of Honolulu

Office of the City Auditor

Honorable City Council
Honolulu, Hawai'i

March 10, 2014

City and County of Honolulu Service Efforts and Accomplishments Report (FY 2013)

The Office of the City Auditor is pleased to present its fourth annual Service Efforts and Accomplishments (SEA) Report for the City and County of Honolulu. The report is intended to be informational, and provides data about the costs, quality, quantity, and timeliness of city services. A variety of comparisons are included to provide the Honolulu City Council, city employees, and the public with an independent, impartial assessment of performance trends that can be used to strengthen governmental accountability and transparency, governmental efficiency and effectiveness, the delivery of public services, and to provide data for future decision making.

In conjunction with this report, the National Research Center of Boulder, Colorado conducted a statistical survey of residents of the City and County of Honolulu. This National Citizen Survey (NCS) of Honolulu is the fifth survey of Honolulu residents and the fourth administered in conjunction with the Service Efforts and Accomplishments Report. The survey is a collaborative effort between the National Research Center and the International City/County Management Association (ICMA), and is standardized to ensure the research methods and results are directly comparable for over 500 communities across the U.S. The actual FY 2013 NCS survey results are issued as a separate report.

Great communities are partnerships of the government, private sector, community-based organizations, and residents. All are geographically connected. The NCS captures residents' opinions for the three pillars of a community--Community Characteristics, Governance, and Participation. The results matrix covers eight facets of community - Safety, Mobility, Natural Environment, Built Environment, Economy, Recreation and Wellness, Education and Enrichment, and Community Engagement. The redesigned citizen survey is presented as four reports - Community Livability Report, Dashboard Summary of Findings, Trends Over Time, and Technical Appendices.

Hopefully, the reader will find that the customized NCS survey provides information that may be used by city staff, elected officials, and other stakeholders for many purposes; such as community planning and resource allocation, performance measurement, and evaluation of city programs and policies. The results may also be used for program improvement, policy making, and to identify community and service strengths and weaknesses.

NCS highlights include:

- 71% of the residents rated the overall quality of life in the City and County of Honolulu as *excellent* or *good*, (NCS Tab 2 p.2)
- 76% rated it as an *excellent* or *good* place to live, (NCS Tab 2 p.2)
- 74% rated their neighborhood as an *excellent* or *good* place to live, and (NCS Tab 2 p.2)
- 78% reported they plan to stay in the city for the next five years. (NCS Tab 4 p.1)

High ratings of *excellent* or *good* were given to the fire department (85%), and ambulance or emergency medical services (85%). Other favorable ratings were shopping opportunities (64%), recreation opportunities (57%), drinking water (74%), and air quality (69%). (NCS Tab 2 p3)

Characteristics receiving the lowest *excellent* or *good* ratings were the availability of affordable quality housing (9%), availability of affordable quality child care (23%), traffic flow on major streets (10%), street repair (11%), sidewalk maintenance (20%), and ease of car travel (15%). About 48% of survey participants reported they were not under housing cost stress (paid housing costs of more than 30% of their monthly household income). (NCS Tab 2 p.3 to p.8: Tab 4, p.2)

Overall Spending and Staffing

Honolulu, like other cities, uses various funds to support its activities. The General Fund is used for all general revenues and governmental functions including public safety, community and customer services, design and construction, emergency management and emergency services, environmental services, fire, information technology, parks and recreation, police, and legislative, and support services. These services are supported by general city revenues and program fees. In FY 2013, the city's total General Fund expenditures and other uses of funds totaled \$1.064 billion. Total General Fund spending decreased 15% over the last five years because some expenses were transferred to other funds. In FY 2013, General Fund operating expenditures and other uses of funds totaled \$1,090 per Honolulu resident, including operating transfers, based on a population estimate of 976,372 residents. Per capita cost for the city's departments was about \$1,201. (See Chapter 1 for performance measures, trends, and more details.)

Proprietary Funds are used for sewer, public transportation, solid waste, highways, and housing. These services are generally supported by charges paid by users. In FY 2013, proprietary and special fund operating expenses totaled \$634 per capita. Other funds are for highway, bikeway, parks and playgrounds, the liquor commission, post-employment benefits reserves, affordable housing, and rental assistance funds. A myriad of special funds exist including zoo animal purchase, the Hanauma Bay Nature Preserve, land conservation, clean water and natural lands, community development, golf, special events, special projects, and farmers' home administration loan funds. Federal grants cover housing and community development, as well as the Section 8 rental assistance funds. Funds also exist for general improvement bonds, highway improvement bonds, sewer revenue bonds, capital projects, and municipal stores. (See Chapter 1)

Total revenues in FY 2013 totaled \$1.85 billion. The largest sources of revenues were real property tax (\$831.1 million) and sewer charges (\$286.9 million). Other revenues include licenses and permits charges, solid waste revenues, federal and state grants, and various revenues from fuel and motor vehicle taxes. The city's Financial Policy requires the city to maintain a very high tax collection rate (over 98.0%) and relies on user fees to finance municipal services.

In FY 2013, the new administration removed citywide hiring restrictions. City staffing is measured in full-time equivalent staff, or FTE. In FY 2013, the city was authorized a total of 10,825 FTE and filled positions totaled 8,844 FTE (81.7%). Vacant positions were 1,981 FTE (18.3%). The executive branch was authorized 9,846 FTE and filled 8,057 FTE positions. The executive branch vacancy rate was 18.2% or 1,789 FTE in FY 2013. The legislative branch was authorized 126 FTE and filled 119 FTE positions. The legislative branch vacancy rate was 5.6% or 7 FTE in FY 2013. Over the last five years, total citywide FTE (including authorized temporary positions) increased less than 1% and the vacancy rate increased 4%. Honolulu employees also provide services to the State of Hawai`i and the counties of Kaua`i, Maui, and Hawai`i that are reimbursed by those jurisdictions.

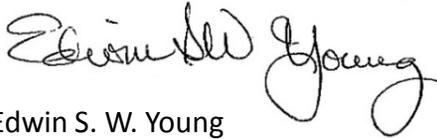
Over the last five years, overtime expenditures decreased 17.6% and non-holiday overtime expenditures decreased 19.8%. In the executive branch, total overtime expenditures decreased 15% and non-holiday overtime expenditures decreased 19.6%. In the legislative branch, total overtime expenditures and non-holiday expenditures increased 27.7% and 30% respectively.

By reviewing the entire report, readers will gain a better understanding of the mission and work of each of the city's departments. The Background section includes a community profile, discussion of service efforts and accomplishments reporting, and information about the preparation of this report. Chapter 1 provides a summary of overall city spending and staffing over the last five years. Chapters 2 through 25 present the mission statements, goals and objectives, description of services, resources, background information, workload, performance measures, and survey results for the various city services. City priorities are discussed in Chapter 1. The full results of the National Citizen Survey and its related reports are available as a separate report due to the volume and size of the survey results. To better understand the information presented in Honolulu's report, we have posted brief video tutorials for our Service Efforts and Accomplishments report and the National Citizen Survey of Honolulu residents on our website.

We solicit inputs and any suggestions for improving this report. We thank the many departments and staff that contributed to this report. Without their support and assistance, this report would not be possible. This report is posted on our website at <http://www1.honolulu.gov/council/auditor>. Copies of this report are also available by contacting the Office of the City Auditor at:

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Respectfully submitted,

A handwritten signature in black ink that reads "Edwin S. W. Young". The signature is written in a cursive style with a large, looping "Y" at the end.

Edwin S. W. Young
City Auditor

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